

STATEMENT OF SENATOR JOHN McCAIN
CHAIRMAN, SENATE COMMITTEE ON
COMMERCE, SCIENCE, AND TRANSPORTATION
FULL COMMITTEE HEARING ON
FEDERAL COMMUNICATIONS COMMISSION REAUTHORIZATION
MAY 26, 1999

- Good morning. For the first time since 1990, the Commerce Committee meets today to oversee and reauthorize the activities of the Federal Communications Commission.
- I would like to welcome as witnesses the five members of the FCC, Chairman William Kennard and Commissioners Susan Ness, Gloria Tristani, Michael Powell and Harold Furchtgott-Roth, and thank them for their attendance today.
- I know the members of this Committee have many questions to ask and concerns to express, so I will keep these initial comments quite brief.
- Last year Robert Novak called the Federal Communications Commission “the second most powerful bureaucratic entity after the Federal Reserve Board,” and he’s right. The FCC is responsible for implementing Congressional policy in regulating the telecommunications industry, which accounts for over one-sixth of our country’s Gross National Product and is the fastest-growing sector of our country’s economy. Obviously, the FCC’s actions have much to do with the success that telecommunications companies have in the marketplace and as prime movers in our overall economic growth.
- As big an impact as the FCC’s actions have on the industry and on the economy, however, it’s the impact of the FCC’s actions on the *consumer* that should be our focus today. The five individuals before us play a crucial role in determining the availability and affordability of the wired and wireless voice, video, and data services that are indispensable to everyday life here and around the world. For this reason these five individuals’ perspectives, and their judgment, are matters of preeminent concern to this Committee and to the Congress. Their perspectives, and their judgment, is what we will examine today.
- As my questions will no doubt indicate, I find much that I disagree with -- vigorously. In my view a majority of this Commission places too little confidence in competition and way too much in regulation. It tends to ignore the demands of making orderly, efficient, and fair decisions on the matters before it, preferring to pursue issues that are within neither their expertise nor their jurisdiction. It has shown a distressing tendency toward inconsistent and *ad hoc* decisionmaking, and toward picking and choosing which parts of the law it will choose to follow.
- In other words, in my view a majority of this Commission has shown itself all too susceptible to unpredictable actions, delayed decisions, flawed reasoning, and an apparent

inability or unwillingness to follow the law. As surely as these problems affect the big industries the FCC regulates, they harm individual consumers even more.

- Ted Turner has an excellent philosophy on decisionmaking that should apply to the FCC -- "lead, follow, or get out of the way." To the extent the Committee finds that the Commission is *unable* to lead or *unwilling* to follow, it's our responsibility to make sure it gets out of the way.